

**Remarks of Lt. Governor Becky Skillman at the
27th Annual Meeting of the
Hoosier Heartland Industrial Corridor, Inc.
November 6th, 2009**

INTRODUCTION

Good afternoon. A lot has happened since I last joined you in 2006. From the historic passage of Major Moves to the ground-breaking of the last leg of the Hoosier Heartland Industrial Corridor, we've taken great leaps forward not just in modernizing Indiana's infrastructure, but in statewide economic development.

In the 1960's, the leaders who first conceived of the Hoosier Heartland Corridor saw the bigger picture of Indiana's economic development. We owe a great deal to Jack Porter and Glen Tanner, the founding members of the Corridor coalition. They are no longer with us, but their vision and dedication to this project has opened opportunities for generations of Hoosiers.

And their partner, Jim Weaver, who has unfortunately passed away as well, was another important player in the Corridor. Thanks to his hard work, every Corridor community signed on and gave unprecedented, unified support for this highway – allowing the corridor to move forward faster than ever.

It's a shame they can't be here to see the continual recognition this project receives both locally and nationally for the economic potential it has for Indiana, Ohio, and everyone who does business with us - and to see that the completion of the Corridor is almost within our grasp.

MAJOR MOVES

The Hoosier Heartland Corridor continues to be a top priority for our state. Not only does the Corridor connect the East and West in our state and Ohio, it also helps connect to major North and South routes and many of our strategic ports. It's a critical piece of our plans for economic development throughout this region and for the entire state. And we **WILL** see the completion of the Lafayette to Logansport stretch of the corridor.

And we have the means to say that with confidence. We will see the completion of the corridor, and we'll see it in record time thanks to the continued contribution of Major Moves. It continues to fund hundreds of projects statewide that would otherwise have been on hold or never even attempted.

While other states struggle to maintain a crumbling infrastructure, Indiana is light years ahead, paving new roads and constructing safer routes that will open doors for a new wave of prosperity. Just last week, Governor Daniels cut ribbon on Fort to Port, Indiana's long-discussed upgrade of U.S. 24 between Fort Wayne and Toledo.

I want to take this opportunity to thank our legislators, once again, for the work they did to make Major Moves a reality. And to the mayors and local leaders, and others who have helped make the case for the modernization of our infrastructure. The entire state has benefited from the support and leadership in this region of the state – from Major Moves to the work our Mayors

and local stakeholders did to provide essential resources and information to help us move forward on the Hoosier Heartland Industrial Corridor.

When I served in the Senate, it was a constant frustration to deal with the inadequate funding for transportation infrastructure during each budget session. But now, Indiana has funding needed to upgrade roads statewide and move the state forward. We know that that top-tier transportation is key to creating a top-tier economy.

ECONOMY

We all know we are living through difficult economic times. But the economic challenges we have before us now are merely disguised opportunities – opportunities to innovate, to be creative to seek out new partnerships that will move us forward and make us prosper.

We all want to see the Hoosier Heartland Corridor completed, and it will remain a priority until it's fully functional. But we also know that the corridor is just the beginning. It's the foundation that will allow this region to build the economy of every community from Lafayette to Toledo.

Indiana is getting smaller all the time. Whether it's roads and bridges or fiber optics and broadband access bringing us together, we're more connected than ever before.

No community represented here today is an island. Every community is part of the larger economy being created by the Hoosier Heartland Corridor.

This group represents diverse areas, diverse interests. There are small towns and big cities, entrepreneurs and corporations represented here, but no matter the scale, we are all focused on the best future for our communities and our businesses.

I think you'll all agree that we are literally paving our way to that future with the Corridor. Indiana's modern and growing infrastructure is just one of the reasons we are leading the fight to get out of this national recession. Over and over again, companies that are choosing to locate or grow in Indiana cite access to major highways and other infrastructure as one of the top factors in their choice.

The companies that are choosing Indiana understand what the global business community understands about Indiana's economic advantage – a low-tax, pro-business environment and statewide pro-growth policies. By several metrics, we are one of the top states for doing business.

In March of this year, CEO's across the country named Indiana as the most business-friendly state in the Midwest and one of the best in the nation. And just a few months ago, the Tax Foundation ranked Indiana as the twelfth best state for business taxes. That's up from 14th last year. And in each year, we were best in the Midwest.

Despite the economic hurdles we're facing, there are still companies that are diversifying, growing and thriving in Indiana.

MANUFACTURING

Hoosiers often ask about the future of auto manufacturing in this state.

The auto industry may be in crisis, but Indiana is seeing continued investment. Toyota is retooling their Princeton plant to make the Highlander SUV, with an investment of about 500 million dollars, and I recently broke ground on a new Toyota subsidiary in Franklin. And in Ft. Wayne, GM is investing 46 million dollars to build heavy-duty pick up trucks. And GM is also moving lots of heavy equipment and hundreds of jobs from Michigan and Ohio to Marion, Indiana.

And we have a number of start-up companies in Indiana that will provide the technology for the energy-efficient vehicles of tomorrow.

Outside the auto industry, other companies are still out there, looking for the right place to land and grow. Strong companies are still growing, investing and employing Hoosiers – in information technology, agriculture and life sciences, just to name a few sectors.

One significant trend is the number of consolidations that have occurred, with Indiana as the beneficiary. Since January of this year, 42 national or international companies have seen the need to consolidate, and then determined that Indiana was the best place for the streamlined operation.

Despite the recession, this year our State's Economic Development Corporation has sealed as many deals as this time last year. Through September, we've received commitments for more than 15,000 jobs and 1.3 billion dollars in private capital investment. In September, the US Bureau on Labor statistics recognized Indiana as the state with the largest increase in Employment over the month –4,400 to be exact.

And yes, new jobs are landing in this region – some of which I traveled to announce myself. MED Institute, EDS and Subaru continue to have a significant impact on Tippecanoe County and the surrounding area, not to mention the investments of Dow Agro Sciences and Evonik Industries. Here in Wabash, Living Essentials, Inc., a company known for its 5-hour energy drink, has consolidated it's operations with a production facility and warehouse space.

In Cass County, the Andersons Hoosier Heartland Energy continues to invest in Indiana and the Indiana Packers plant in Delphi (Carroll Co) is also putting Hoosiers to work. Most recently the Onward Manufacturing Company in Huntington added more than 300 new jobs. That coupled with another win in Kokomo, with Zuna Infoteck, brings the tally in this region to 700 jobs in just a few days. I know Kokomo isn't in a Corridor county, but it's a next door neighbor, and their good fortune will benefit the entire region.

I was also in Lafayette last week to join the MidWest Regional Economic Development Group for their kickoff. The MidWest group is partnering with several of the Hoosier Heartland Corridor Counties to attract and retain businesses to North Central Indiana. They are already working to attract and retain businesses to parts of this region – and building on the strong economic foundation that's been laid in this part of the state.

It's certainly not as easy as it once was to win jobs and investments. But Indiana was one of few states standing on solid financial ground when the economic storm hit. And it has been a storm for all of us. Revenue projections show we'll have even less to work with in the future than we did this past budget cycle. So we have to keep looking every day, in every corner for dollars to save. The really tough work is just beginning.

STIMULUS

And we have to be especially wise about the resources that come from Washington D.C. Governor Mitch asked me to Chair a Task Force to oversee all of federal stimulus money coming into state government agencies.

When the Governor and I first began work on Indiana's share of the federal stimulus money, we vowed to do three things - put Hoosiers to work, do it quickly, and leave a lasting impact on our state.

That is the same position we took when we introduced Major Moves. Unlike most states, when the stimulus hit, we had a highway plan in place. Major Moves allowed us to do more, faster. And while the Congress paid for this through deficit spending, our road plan – and projects like the Hoosier Heartland Corridor – is fully funded without a penny of borrowing or higher taxes.

I'm proud of what we've been able to do with our piece of the pie so far. We're working on dozens of new road projects and water infrastructure projects throughout the state, and we hired 2,000 young unemployed workers to revitalize our state parks and DNR properties. With energy stimulus dollars we hope to support new manufacturing of alternative energy components in our state, such as wind turbines, solar panels, and batteries.

Every step we can take to allow business to move forward is a step forward for us all. It's easy to assume a "government fix" mentality – the idea that government can fix everything or make it better by being more and more involved.

But, we know from experience that government cannot create prosperity. It's the work of individuals and risk-takers, like many of you. What government CAN do is create an environment where prosperity is possible.

RURAL AFFAIRS

Maybe you've heard that I have a passion for small cities and towns, and I'm proud of the progress our rural communities were making before the downturn in national economy. I believe that very community must play a part in our state's economic comeback – that our small towns can and should be in lock-step with our big cities.

Some of our smallest communities boast some of the richest resources and most interesting parts of our heritage. And many of the communities along the Corridor are perfect examples of that. Almost half of our population calls small communities home.

Our Office of Community and Rural Affairs manages many grant opportunities throughout the year. We have a strategic plan that is not only a first for rural Indiana, it's gained national attention.

We want to see the entire state prosper. We cannot be a state of "haves" and "have-nots," where some communities are valued more than others. There's no room for that kind of thinking in our state. I consider it a personal responsibility to work to ensure that we truly serve the needs of the 75 percent of our state that's considered rural.

The goals we've identified for rural Indiana aren't so different from more populated areas... business attraction, retention and expansion, and entrepreneurship. And the grant programs we have in place are helping Corridor communities every day.

One community in particular has been doing great things with a Rural Capacity Grant received from our Office of Rural and Community Affairs. The Economic Development Group of Wabash County saw opportunities in the growing tourism and entertainment business in Wabash and used grant dollars to help some home-grown businesses get started.

Their grant has funded entrepreneurial classes and youth engagement, and they created a loan program that secured investments of almost \$100,000 for a venture capital fund. They identified what they needed – from training and mentoring to capital and marketing – and they worked with state government to start meeting those needs in their business community.

And Wabash isn't alone. Corridor communities have benefited from a host of competitive grants that have funded community centers, wastewater facilities, fire stations and downtown revitalization. And this area is home to a number of strong Indiana Main Street Communities – which is another important door to open for funding opportunities.

CONCLUSION

State government is here to be a helping hand to your efforts to improve your communities and quality of life. The partnership we have – whether state and local governments or public private relationships – are critical to the future of our state.

I want to thank each of you for the meaningful contribution you are making to our future by supporting the Hoosier Heartland Industrial Corridor. The public support for this project continues to be one of the most important factors in the success we've had. We can all learn something from the example of individual property owners who've chosen to see the bigger picture and make way for this road to be built.

You've worked hard to keep this project moving forward, and on behalf of a very grateful state and all the residents of this region, thank you for all you're doing. We all have a part to play in Indiana's long-term economic recovery. And right now, we need good people like you who want to get your communities moving and make us stronger than ever.

Thanks for all you do, and thanks for having me today.